



COOK COUNTY HEALTH

FY2019 Budget Presentation

Cook County Finance Committee

Department Review Hearing

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FY2018 Accomplishments



FY2018 Major Accomplishments

- Transition of more than 200,000 new members into CountyCare.
- U.S. District Court dissolved the 2010 Consent Decree involving Cermak Health Services.
- Stroger Hospital re-designated as a Level III Perinatal Center.
- Stroger Hospital's Burn Unit reaccredited by the American Burn Association.
- U.S. News and World Report recognized Stroger Hospital with its highest rating for heart failure care in their annual Best Hospital ranking.
- CCHHS' hospitals and outpatient centers achieved Health Information Management Systems Society (HIMSS) Stage 7 in 2018. Only 6.4% of providers in the US have reached Stage 7.
- Stroger Hospital recertified as Advanced Primary Stroke Center by The Joint Commission.



FY2018 Major Accomplishments

- Notable capital equipment, clinical, revenue cycle and facility improvements investments* include;
 - \$17.9M in medical equipment
 - \$9.6M in Health Information Technology equipment and upgrades
 - \$8.7M for fixtures & buildouts of new professional office building
 - \$0.4M in safety and communications equipment at Cermak Health Services
 - \$8.7M in revenue cycle systems and technology upgrades

*Capital /equipment and facility improvement investment amounts represent full assets values already financed or in advanced planning stages for financing by end of FY2018 through leases and other mechanisms which typically requires a 3 to 5 year payment period



FY2019 Proposed Budget



FY2019 Proposed Budget

Executive Summary

The FY2019 annual budget proposal moves CCHHS into the final year of Impact 2020.

The FY2019 budget:

- Reflects organizational focus on quality improvements, patient satisfaction and regulatory compliance;
- Continues the strategic development of service lines to grow and compete while meeting healthcare needs of Cook County residents;
- Continues efforts to build and integrate clinical and managed care capacity across all care settings; and
- Supports organizational capacity to improve clinical documentation, billing, coding, collections and other revenue cycle activities.



FY2019 Initiatives

Deliver High Quality Care

- Establish outpatient dialysis services at Provident
- Increase surgery services at Stroger and Provident
- Grow outpatient services by maximizing health center access
- Expand community-based dental services
- Invest in care coordination to improve patient outcomes and health
- Establish mental health services at Juvenile Temporary Detention Center and for court-involved youth

Grow to Serve and Compete

- Sustain and grow CountyCare membership by 3%
- Increase CountyCare members use of CCHHS services
- Opening of new/renovated facilities will increase capacity to drive volumes
- Expand services offered in community centers for women and children
- Continue building behavioral health services/capacity

Foster Fiscal Stewardship

- Sustain financial position including level tax allocation at \$101.9M
- Invest in care coordination to improve patient care and better control costs
- Continually improve billing and collection processes
- Conduct operational reviews for efficiencies
- Reduce overtime and registry usage
- Monitor critical contracts
- Prioritize strategic initiatives
- Build on success in securing grant resources



FY2019 Initiatives

Invest in Resources

- Replace aging capital equipment
- Improve employee engagement through training investments, leadership rounding, annual performance evaluation
- Partner with labor, developing shared vision for organizational success with a patient-centered focus

Leverage Valuable Assets

- Leverage systems such as Time and Attendance to improve management

Impact Social Determinants of Health

- Expand “Food as Medicine” and Women, Infants and Children (WIC) services at community health centers
- Supportive housing for medically-at-risk populations
- Expand evidence-based practices and innovations in addressing substance use disorders

Advocate for Patients

- Provide improved health care for the uninsured and justice-involved population
- Protect critical federal/state programs including the Affordable Care Act, 340B Drug Discount Program, Medicaid coverage and rates



FY2019 Proposed Budget

Revenue Drivers

- Increase in CountyCare membership to 345,000
- Increases due to initiatives in the following areas:
 - Dialysis services
 - Surgery at Provident and Stroger
 - New larger primary care clinics in the community
 - Professional Office Building on Central Campus
 - Specialists physicians in the community
 - Provident services
 - Care Coordination
- Professional and facility billing improvements



FY2019 Proposed Budget

Expense Drivers

- Increase in CountyCare membership
- Insourcing where costs can be reduced and quality enhanced
- Wage increases, driven by negotiated salary changes
- Mental health services at the Juvenile Temporary Detention Center
- Pharmacy and medical supplies usage and inflation
- Health Information Technology investments
- Investments in revenue cycle
- Moving from Oak Forest campus assumed by end of 1st quarter 2019

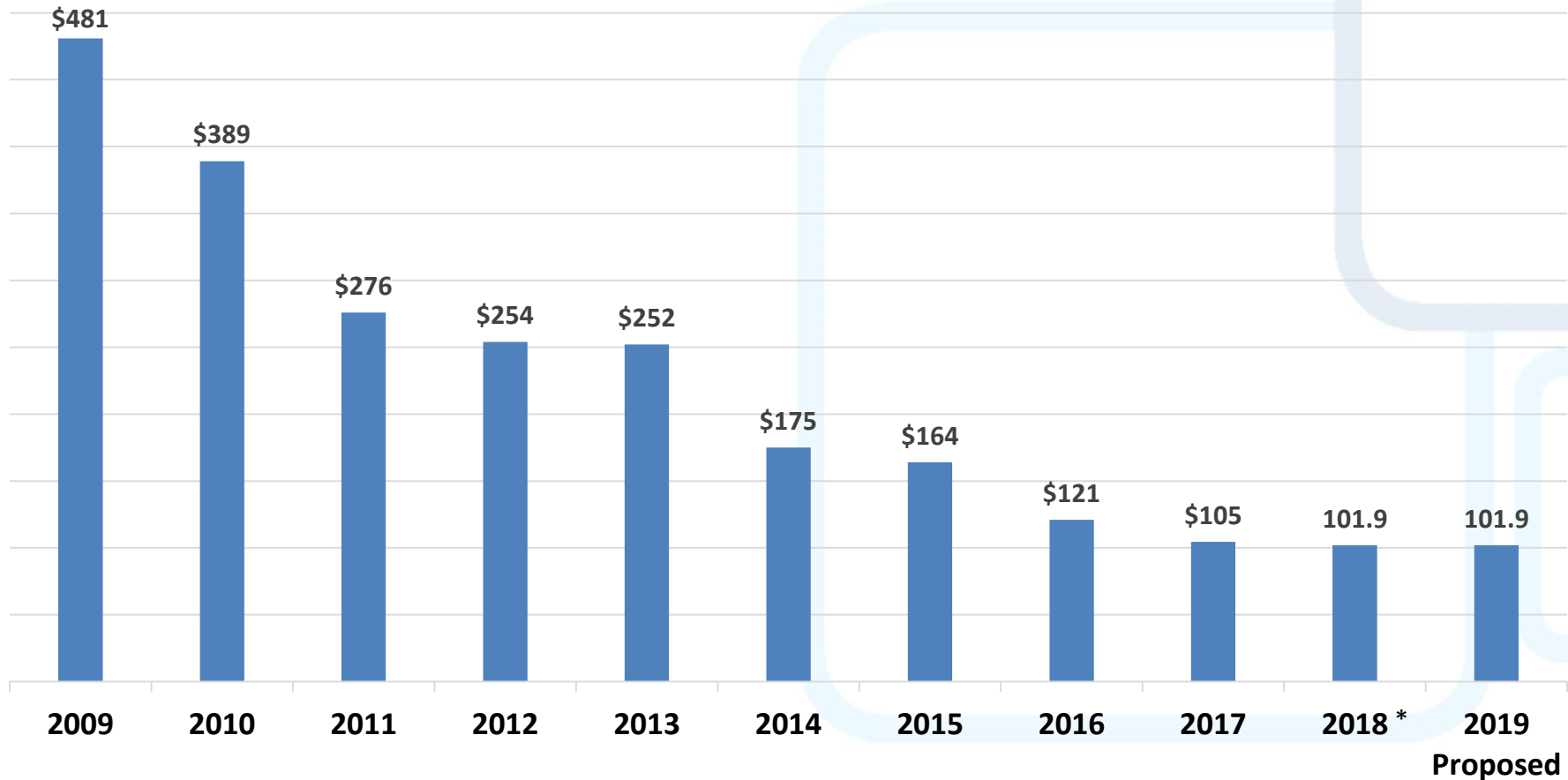


Charity Care in Cook County

	2013 Charity Care	% of all charity care	2016 Charity Care	% of all charity care	\$\$ Change 2013-2016
All Hospitals in Cook County	\$690M		\$543M		↓ 21%
Stroger and Provident	\$257M	37%	\$266M	49%	↑ 3%



County Health Fund Allocation to CCHHS Operating Expenses



**Adopted allocation was \$111.5M - \$7M reduction in July due to TRO on SBT*

Note: Pension and Debt Service not included. Until 2016, Cook County Government provided capital funding in addition to the allocation.



COOK COUNTY HEALTH
& HOSPITALS SYSTEM
CCHHS

FY 2018 – 2019 Budget (in Millions)

	FY 2018 Adj. App.	FY 2018 Proj. YE	FY 2019 Proposed
Revenues			
CCHHS Revenue	\$2,478	\$2,479	\$2,619
Cook County Allocation	\$102	\$102	\$102
County Pension Contribution	\$129	\$129	\$129
Total Available Funds	\$2,708	\$2,709	\$2,849
Expenses			
Hospital-Based Services	\$909	\$924	\$1,023
CountyCare	\$1,531	\$1,531	\$1,572
Health Administration	\$79	\$76	\$68
Ambulatory Services	\$175	\$168	\$165
Correctional Health Services	\$119	\$115	\$125
Public Health Services	\$16	\$16	\$17
Total Expenditures	\$2,829	\$2,830	\$2,970
Accrual Basis Net Surplus/ (Deficit)	(\$120)	(\$120)	(\$120)
Non-Cash Expenditures			
Pension	\$86	\$86	\$86
Depreciation	\$34	\$34	\$34
Self Insurance	\$0	\$0	\$0
Cash Basis Net Surplus/ (Deficit)	(\$0)	\$0	(\$0)